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Decided to memorialize my verbal comments after all.

I. Draft Recommended Priorities FY 99

1. Revise 2.0 to reflect the 6 goals in the draft Strategic Plan.
2. Revise 3.2 to reflect the following:
 - the Roundtable did not agree that listed species were the criteria for priority setting. This is not a technical issue and was decided appropriately by the Roundtable rather the tech and integration panels. Please reflect that the priorities were set on the degree to which the species is dependent on the Delta and most adversely affected. The test is: is it native? is it mostly a Delta/Suisun species? is it in trouble?
 - add longfin to first priority list, as agreed upon by the Roundtable in its previous deliberations.
3. Section 4.0 might be improved by adding some language on adaptive mgmt criteria for evaluating actions from the Strategic Plan (at 119-20 and 162-3).
4. Other than some redundancy with existing language in the draft about consistency and synergy with other CALFED objectives and programs, I strongly oppose inclusion of Jason's language, and think that his concerns are more appropriately addressed by the Roundtable developing a set of implementation criteria.

II. recommendation for funding Madera Ranch

1. fast-tracking Madera Ranch violates Roundtable process: this proposal was not assessed or recommended through the agreed-upon technical evaluation process
2. fast-tracking Madera Ranch violates Roundtable substantive input: \$14.5 million set aside for dry year environmental water through acquisition of water rights, longterm options, spot market. Whereas Madera is at best an investment in the potential for an unspecified amount of environmental water at some unspecified future date dependent on a variety of unknowns, the reserve is a known quantity where \$14.5 m = X amount of instream flows that can be implemented in the short term through contractual agreements.
3. Madera Ranch generally speaking is a project with high potential to create environmental and other benefits which is in too early a stage of development to be able to properly evaluate.

4. To the extent that the upland habitat values of Madera are known and the storage aspects speculative, the initial purchase price should reflect the ag and habitat value, with additional value accruing to the seller if storage is successfully developed. Initial purchase funds should be derived wholly or largely from funds appropriate for acquiring upland habitat.

5. Madera Ranch could be considered for FY 99 funding if

- a. any potential funding secured for env conjunctive use is in addition to full funding of 99 drought reserve.
- b. project is developed enough re potential capacity, benefits, operational criteria, etc to receive full scrutiny through our technical process and be recommended by panels.
- c. cost-sharing with other potential storage beneficiaries is developed to minimize risk at each stage of development.

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